

1 WILLIAM L. WILLIAMS, JR.
Chief of Enforcement
2 FAIR POLITICAL PRACTICES COMMISSION
428 J Street, Suite 620
3 Sacramento, CA 95814
Telephone: (916) 322-5660

4 Attorney for Complainant

6 BEFORE THE FAIR POLITICAL PRACTICES COMMISSION
7
8 STATE OF CALIFORNIA

9 In the Matter of) FPPC No. 06/704
10)
11) STIPULATION, DECISION and
STATE FARM INSURANCE COMPANIES,) ORDER
12)
13)
Respondent.)
14)

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16 Complainant Michael B. Salerno, Executive Director of the Fair Political Practices Commission,
17 and Respondent State Farm Insurance Companies hereby agree that this stipulation will be submitted for
18 consideration by the Fair Political Practices Commission at its next regularly scheduled meeting.

19 The parties agree to enter into this stipulation to resolve all factual and legal issues raised in this
20 matter, and to reach a final disposition without the necessity of holding an administrative hearing to
21 determine the liability of Respondent.

22 Respondent understands, and hereby knowingly and voluntarily waives, any and all procedural
23 rights set forth in Sections 83115.5, 11503 and 11523 of the Government Code, and in Sections 18361.1
24 through 18361.9 of Title 2 of the California Code of Regulations. This includes, but is not limited to,
25 the right to personally appear at any administrative hearing held in this matter, to be represented by an
26 attorney at Respondent's own expense, to confront and cross-examine all witnesses testifying at the
27 hearing, to subpoena witnesses to testify at the hearing, to have an impartial administrative law judge
28 preside over the hearing as a hearing officer, and to have the matter judicially reviewed.

1 It is further stipulated and agreed that Respondent State Farm Insurance Companies violated the
2 Political Reform Act by failing to file a semi-annual campaign statement, electronically, by the
3 January 31, 2005 due date, in violation of Section 84605, subdivision (a) of the Government Code (1
4 count), as described in Exhibit 1. Exhibit 1 is attached hereto and incorporated by reference as though
5 fully set forth herein. Exhibit 1 is a true and accurate summary of the facts in this matter.

6 Respondent agrees to the issuance of the decision and order, which is attached hereto.
7 Respondent also agrees to the Commission imposing upon it an administrative penalty in the amount of
8 Three Thousand Dollars (\$3,000). A cashier's check from Respondent in said amount, made payable to
9 the "General Fund of the State of California," is submitted with this stipulation as full payment of the
10 administrative penalty, to be held by the State of California until the Commission issues its decision and
11 order regarding this matter. The parties agree that in the event the Commission refuses to accept this
12 stipulation, it shall become null and void, and within fifteen (15) business days after the Commission
13 meeting at which the stipulation is rejected, all payments tendered by Respondent in connection with
14 this stipulation shall be reimbursed to Respondent. Respondent further stipulates and agrees that in the
15 event the Commission rejects the stipulation, and a full evidentiary hearing before the Commission
16 becomes necessary, neither any member of the Commission, nor the Executive Director, shall be
17 disqualified because of prior consideration of this stipulation.

18
19 Dated: _____

Michael B. Salerno
Executive Director
Fair Political Practices Commission

State Farm Insurance Companies

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24 Dated: _____

By: _____ on behalf of
State Farm Insurance Companies, Respondent

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IT IS SO ORDERED.

Ross Johnson, Chairman
Fair Political Practices Commission